

June 27, 2002

PPL No. 02-006

TO: All Local Educational Consortia (LECs) and
All Local Governmental Agencies (LGAs) and
Medi-Cal Administrative Activities (MAA)

SUBJECT: **Modifications to Medi-Cal Administrative Activities (MAA) Claiming Plans**

This Policy and Procedure Letter (PPL) notifies all LGAs and LECs about changes to the Medi-Cal Administrative Activities (MAA) claiming plans/amendments process. The Centers for Medicare and Medicaid Services (CMS) has delegated the authority to approve most claiming plans to the Department of Health Services (DHS). This major change will reduce the review and approval process time for most MAA claiming plans/amendments, because CMS will not review the majority of the claiming plans. Additionally, this change will allow LGAs and LECs to submit invoices more timely and receive federal reimbursement sooner.

The exceptions to the DHS sole approval, which means that the claiming plans/amendments will be forwarded to CMS for review and approval, are:

- Claiming plans submitted with significant program changes from what had been claimed under previously approved claiming plans.
- Claiming plans that DHS determines are questionable where DHS requests consultation from CMS.
- Claiming plans that have been deferred and appear questionable.

Over the past year, the DHS has collaborated extensively with the LGAs, LECs and CMS to streamline the MAA claiming process under which California has operated since 1995. The initial DHS proposal to streamline MAA was submitted to the CMS in February 2001. The federal approval comes after a lengthy process and with assurances to the CMS that the DHS will:



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- continue to oversee and scrutinize the MAA program,
- provide training to LGAs and LECs staff,
- provide technical assistance,
- observe training sessions conducted by vendors for claiming entities,
- conduct ongoing site visits, and
- most importantly revise the claiming process for schools to parallel the CMS Medicaid School-based Administrative Claiming Guide and policies.

With this delegated authority, the following process changes are implemented **effective immediately**:

- Submit only one copy of a claiming plan or amendment to DHS. If a copy needs to be submitted to CMS, DHS will copy the plan/amendment. Change affects pages LM.5-1-2 and LM.5-2-4 of the LEC Provider Manual and M.5-1-2 and M.5-2-6 of the LGA Provider Manual.
- Do not submit amendments to claiming plans solely to delete or change classifications when there is no change to the activities that will be performed. This means that if the name of an existing staff job classification is changed or deleted, no amendment needs to be submitted. The claiming plan and the subsequent invoice substantiate the activities. Changing a position other than the skilled medical professional classifications does not influence the claiming plan sufficiently to require an amendment. Documentation of any changes or deletions must be maintained and made available when requested by the state or federal government or during site reviews.
- Do not submit Organizational Charts with the claiming plan and/or amendment. The organizational chart will be maintained at the LGA/LEC or claiming unit for state review as needed or requested. Changes affect page M.5-2-6 of the LGA Provider Manual only.
- Do not submit resource directories. Resource directories will be maintained at the local level for review during a field visit and will not be sent to the state. On Activity F Program Planning and Policy Development description sheet of the claiming plan must continue to state where the resource directories will be maintained. The DHS may request copies on a sample basis to approve the claiming plan. Changes affect page LM.5-2-22 of the LEC Provider Manual and M.5-2-22 of the LGA Provider Manual.

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- Do not submit copies of outreach flyers or materials to the state. All documentation for the Outreach claimed must be maintained at the local site for review during a state visit or will be copied and sent to the state upon request. Additionally, on the Outreach A, B1, B2, B3 or Activity C description sheets of the claiming plan must continue to state where the flyers, announcements or other materials will be maintained. A statement or narrative description must be included on the claiming plan or amendment about the locations, frequency and times for outreach activities. The number of staff conducting Outreach will be listed by classification on the claiming grid. During a site visit the state staff may attend or observe outreach activity that is being conducted as well as review documentation. Change will affect pages LM.5-2-8, LM.5-2-10, LM.5-2-12, LM.5-2-14, LM.5-2-16 of the LEC Provider Manual and M.5-2-10, M.5-2-12, M.5-2-14 and M.5-2-16 of the LGA Provider Manual.

Please note these changes in your manual and file this PPL for future reference.

In addition, LGAs and LECs will need to continue to:

- provide documentation directly to the CMS when requested for federal reviews
- submit duty statements with the claiming plan and/or amendment
- submit copies of primary contracts or subcontracts with the claiming plan and/or amendment

These changes in the submittal process should decrease the workload at the local level as well and reduce the need for excess photocopying. One principle has not changed: LGAs and LECs are responsible to have the documentation on file and to provide information as requested by DHS and or CMS.

If you have any questions concerning this PPL, please contact your DHS analyst, or Georgia Rivers, Chief, Administrative Claiming Operations Unit at (916) 657-0627 or by email at Grivers2@dhs.ca.gov.

Sincerely,

Original Signed by Pat Morrison

Patricia L. Morrison, Chief
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Enclosure

cc: See next Page

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